



**Department  
of State**

**2015 ANNUAL REPORT:  
DIVISION OF CONSUMER PROTECTION ACTIVITIES**

*Pursuant to Section 94-a(5)(a) of the Executive Law*

**FOR SUBMISSION TO:  
TEMPORARY PRESIDENT OF THE SENATE JOHN J. FLANAGAN  
SPEAKER OF THE ASSEMBLY CARL E. HEASTIE**

**Andrew M. Cuomo  
Governor**

**Rossana Rosado  
Secretary of State**

## **INTRODUCTION**

In compliance with the requirements set forth in Executive Law §94-a(5)(a), the Department of State (the “Department”) respectfully submits this report regarding the activities of the Division of Consumer Protection (the “Division”). This report covers the period commencing on January 1, 2015 and concluding on December 31, 2015.

During the reporting period, the Division’s accomplished its goals of educating and protecting the public by: (1) providing direct assistance and mediation to resolve marketplace complaints; (2) delivering mitigation assistance for victims of identity theft; (3) conducting education campaigns related to scam prevention, identity theft prevention, financial literacy, and product safety; (4) advancing cost effective and quality electric, gas, telephone, and cable service by representing consumers at utility rate and policy proceedings before State and Federal regulators; and (5) enforcing the State’s Do-Not-Call Law (the “DNC Law”).

## **CONSUMER ASSISTANCE UNIT**

Executive Law §94-a(3)(a)(1) grants the Division the power and duty to “receive complaints of consumers, attempt to mediate such complaints where appropriate, and refer complaints to the appropriate unit of the department, or Federal, state, or local agency authorized by law for appropriate action on such complaints.” This mandate is met through the Consumer Assistance Unit (the “CAU”). The CAU operates a Consumer Assistance Hotline five days per week, 8:30 a.m. to 4:30 p.m. Consumers also have the option of filing a consumer complaint electronically 24 hours per day, seven days per week, via the Department’s website. Among other issues, the CAU mediates and resolves complaints regarding product refunds and returns, credit card disputes, debt collection and consolidation practices, internet services, cellular services, home improvement contractors, and identity theft.

In 2015, the CAU staff handled 18,478 complaints and inquiries. These activities saved New York consumers an estimated \$818,443.28 and facilitated \$127,206.57 in avoided costs. A chart of the top ten consumer concerns addressed in 2015 is contained in Appendix A.

## **OUTREACH AND EDUCATION PROGRAM**

Executive Law §94-a(3)(a)(3) grants the Division the power and duty to “initiate and encourage consumer education programs.” In 2015, the Division provided presentations on Identity Theft Prevention and Mitigation, Scam Prevention, Financial Literacy, the DNC Law, and Product Safety. The Division delivered live seminars to community groups, organizations, and educational institutions across the State, a list of which is provided in Appendix B. The Division also educated consumers utilizing alerts and related media coverage.

Of special note, during the reporting year, the Division collaborated with the U.S. Consumer Product Safety Commission (the “CPSC”) to deliver live presentations on safety issues related to carbon monoxide poisoning. The Division also collaborated with the CPSC, the All-Terrain Vehicle (ATV) Safety Institute, and local county sheriffs’ offices to provide free education and training seminars on ATV Safety.

In 2015, the Division undertook an initiative to promote safe product sales by reaching out to retail stores that sell previously-owned consumer products. The Division visited 152 stores in 48 counties to speak with store management and staff and to provide educational materials. These materials and site visits emphasized the importance of screening second-hand consumer goods prior to accepting them or making them available for

sale. Second-hand retail outlets are an important line of defense against the utilization of products that are recalled, hazardous, or banned as dangerous by State or Federal authorities. The Division reminded retailers of their unique role in safeguarding the public from such products and encouraged them to screen for and remove such from the stream of commerce.

## **DO-NOT-CALL INVESTIGATION UNIT**

The New York State DNC Law, which became effective in 2001, allowed consumers to place their home landline and personal mobile telephone numbers on a central registry in order to reduce the number of unsolicited telemarketing calls they receive. In 2003, the Federal Trade Commission (“FTC”) and the Federal Communications Commission collaborated to create the National Do-Not-Call Program and Registry. Subsequently, New Yorkers were able to register their home and mobile phone numbers on the National Do-Not-Call Registry and file complaints using the FTC’s website.

Using the National Registry to retrieve the complaints of aggrieved New Yorkers, the Department investigated alleged violations with the goal of ending unlawful conduct. As of December 31, 2015, there were 14,306,725 New York telephone numbers on the National Registry, an increase of 296,398 telephone numbers over the previous year. In 2015, the Department investigated 62,584 complaints concerning violations of the Do-Not-Call Law and collected \$82,500.31 in penalties related thereto.

## **UTILITY INTERVENTION UNIT**

Executive Law §94-a(4)(b) sets forth the powers and duties of the Utility Intervention Unit (the “UIU”). The UIU is generally charged with representing the interests of consumers before Federal, State, and local agencies engaged in the regulation of energy and telecommunication services. UIU staff members participate in the deliberations of the Public Service Commission (the “PSC”), the New York Independent System Operator (the “NYISO”), and the Federal Energy Regulatory Commission (the “FERC”) as well as more than a half dozen utility and energy-related interagency working groups, task forces, and committees.

In 2015, the UIU analyzed documents, submitted testimony and briefs, and engaged in settlement discussions in PSC and FERC regulatory proceedings. The UIU continues to serve as the designated consumer advocate at the NYISO, which oversees the wholesale electricity markets in New York, and is a voting member on several of the NYISO’s decision-making committees. In that role, the UIU assists in developing rules and procedures that help to ensure that an adequate supply of reasonably priced electricity exists in the State.

During 2015, the UIU participated in hearings and negotiations in 13 PSC rate and policy proceedings, as noted in Appendix C. Additionally, UIU actively participated in two FERC settlement negotiations, one of which concerned the terms for a Reliability Support Service Agreement for the retirement of the 580 MW Ginna Nuclear Power Plant (the “Ginna Plant”). In that matter, the UIU took the lead in representing customer interests, securing a new contract that cut the Reliability Support Service Agreement’s term from 42 to 24 months and reduced its overall cost by approximately \$375 million; this settlement resulted in significant savings for Rochester Gas and Electric’s customers.

## **CONSUMER MARKETPLACE SAFETY**

### *CHILDREN'S PRODUCT TESTING*

Executive Law §94-a(3)(a)(11) grants the Division the power and duty to “conduct product research and testing and, where appropriate, contract with private agencies and firms for the performance of such services.” In 2015, the Department conducted two children’s product safety testing campaigns to ensure compliance with applicable State and Federal safety standards. All testing was conducted by third-party Consumer Product Safety Commission (the “CPSC”) accredited laboratories. Relying upon laboratory findings, the Division forwarded negative laboratory results to the two affected manufacturers as well as their distributors, importers, and retailers seeking voluntary recall and to the CPSC for further investigation.

### *CONSUMER PRODUCT SAFETY COMMISSION DESIGNEE ACTIVITIES*

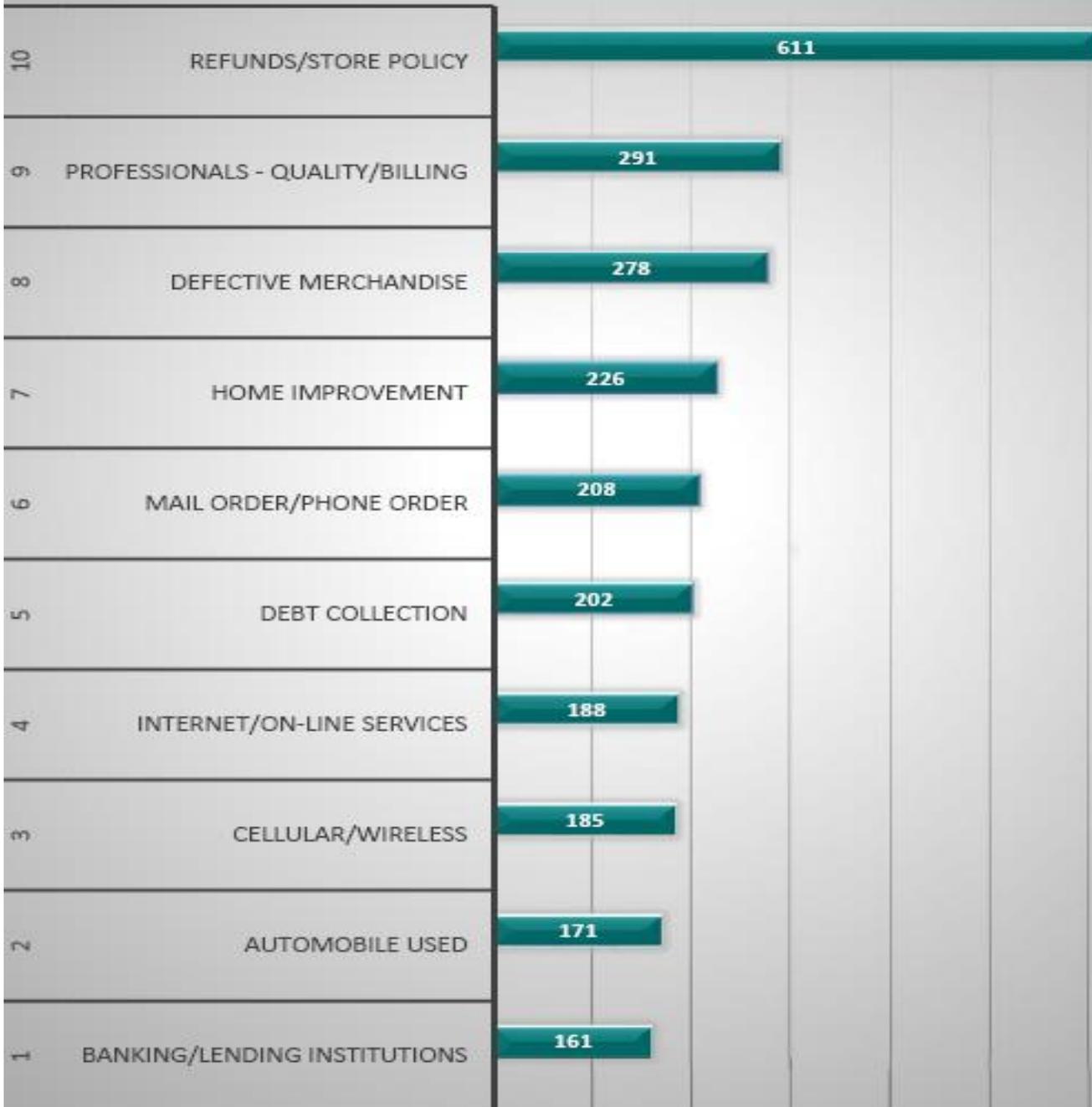
The Division serves as the CPSC’s New York State designee for product safety. Together, the Division and the CPSC work to promote product safety programs throughout the State. In this role, the Division conducted 24 recall effectiveness checks in 2015.

## **CONCLUSION**

In 2015, the Division successfully carried out its numerous charges set forth in Executive Law 94-a. Whether mitigating harms that have occurred or educating the public so harm may be avoided in the future, the Division will continue to assist consumers to navigate the difficult waters of the marketplace in the years to come.

## APPENDIX A

### 2015 Top Ten Categories of Consumer Assistance



## **APPENDIX B**

### **Division of Consumer Protection 2015 Outreach Events and Presentations**

1. The Hearth at Greenpoint – Onondaga County
2. New Lebanon Central Schools – Columbia County
3. Liberty Park Home Owners Association – Queens County
4. Mid-Manhattan Adult Learning Center – New York County
5. Arlington Community Association – Richmond County
6. Olive Free Library – Ulster County
7. Wagner Senior Center – New York County
8. AARP Norwood – Bronx County
9. Central Baptist Senior Club – New York County
10. Sheepshead Bay PTA – Kings County
11. NYS Black and Puerto Rican Caucus – Albany County
12. AARP City Island – Bronx County
13. JASA Senior Center – New York County
14. AARP Harlem – New York County
15. Goddard Riverside Community – New York County
16. Harlem State Offices – New York County
17. IDA Program Albany – Albany County
18. Westchester Community College – Westchester County
19. SUNY Oneonta – Otsego County
20. NYC Councilmember Palma’s District Outreach – Bronx County
21. Lansingburgh Library – Rensselaer County
22. Morgan Stanley – Murray Hill – New York County
23. Westchester Library System – Westchester County
24. Sharon Springs Senior Center – Schoharie County
25. ACI Forum on Resolving Disputes – New York County
26. Troy Public Library – Rensselaer County
27. My Second Home – Westchester County
28. Saint Andrews Day Program – Westchester County
29. Yonkers Community Action Program – Westchester County
30. SUNY Polytechnic – Oneida County
31. Fort Greene Senior Center – Kings County
32. Senator LeRoy Comrie’s District Outreach – Queens County
33. Glen Eddy Senior apartments – Schenectady County
34. Christ The King High School – Queens County
35. Nassau Public Library – Rensselaer County
36. Harlem Interagency Council for the Aging – New York County
37. Fort Hamilton High School – Kings County
38. NYSERDA – Westchester County
39. Hearth at James Street – Onondaga County
40. Isabella Adult Living Community – New York County
41. Association for the Education of Young Children – Oneida County
42. Local 1199 SEIU – Bronx, Brooklyn, Kings, Queens and Richmond Counties

43. Prevent Child Abuse NY – Albany County
44. OSARC – New York County
45. SUNY Empire State – Saratoga County
46. Stephentown Library – Rensselaer County
47. AARP Broadway/Hilltop – Queens County
48. AARP Brooklyn – Kings County
49. Greater File Chapter Seniors – New York County
50. Valley Vista Apartments – Onondaga County
51. Lifetime Assistance Program – Albany County
52. Low Income Forum on Energy – New York County
53. LIFE Conference – Nassau County
54. Bach Library – Albany County
55. NYPD 32<sup>nd</sup> Precinct – New York County
56. YMCA Fayetteville – Onondaga County
57. Community Action Angels – Onondaga County
58. NYS Life Conference – Saratoga County
59. Central Harlem Seniors – New York County
60. National Eligibility Workers Association – New York County
61. West Harlem Headstart Program – New York County
62. Goddard Riverside Headstart Program – New York County
63. NYS Foster Care Conference – Albany County
64. Albany Public Library – Albany County
65. Buffalo Life Conference – Erie County
66. Sully Library – Monroe County
67. Monroe Library – Monroe County
68. Manhattan DA – New York County
69. LIFE Conference – Ulster County
70. Sharon Baptist Church Headstart – Bronx County
71. NYC Department of Education – New York County
72. Hartley House NYC- New York County
73. Guardian Society – Albany County
74. St. Marks Headstart – Kings County
75. VA Hospital Brooklyn – Kings County
76. Telecommunications Conference – Jefferson County
77. AXA Equitable Financial – Saratoga County
78. SUNY Cortland – Cortland County
79. US Representative Maloney Veterans Fair – Dutchess County
80. VA Manhattan – New York County
81. McGuinness Senior Center – Kings County
82. South Jamaica Center for Children and Parents – Queens County
83. ACUU Conference – Albany County
84. CDPHP – Albany County
85. SEFCU – Albany County
86. AARP 4692 – Richmond County
87. Wagner House Fair – New York County
88. NYS Gaming Commission – Schenectady County
89. Senior Housing Forum – Schenectady County
90. Eagle Elementary School – Albany County
91. Savings Program – Albany County

92. Church of the Nativity – Erie County
93. Cairo-Duram Elementary School – Greene County
94. Frederick Samuels Democratic Club – New York County
95. Lenox Hill Senior Center – New York County
96. Neighborhood Legal Services – Erie County
97. AARP Oakwood – Richmond County
98. Rain Senior Center – New York County
99. NYS Senator Boyle District Outreach – Suffolk County
100. Senior Care Givers – Schenectady County
101. Delhi Telephone Company – Greene County
102. Harlem Hospital Community Advisory Board – New York County
103. Foster Grandparent Association – Albany and Rensselaer Counties
104. East Greenbush Community Library – Rensselaer County
105. Bellvue Hospital – New York County
106. Saint Matthews Baptist Church – New York County
107. Savings ACAP Program – Albany County
108. Leisure Club of Hyde Park – Nassau County
109. Communication Workers of America – New York County
110. PTA Conference – Oneida County
111. Sumner Senior Center – Kings County
112. Morgan Stanley Wealth Management – New York County
113. Moravia Town Court – Cortland County
114. Homer Senior Center – Cortland County
115. AARP Throgs Neck – Bronx County
116. NYS Senator Venditto District Outreach – Nassau County
117. Caring Community Center – New York County
118. Saint Nicholas Senior Center – New York County
119. Career Gear – New York County
120. Albany Public Library New Scotland- Albany County
121. Hamilton Grange Senior Center – New York County
122. Honeoye Falls Library – Ontario County
123. AARP Woodlawn – Bronx County
124. Jackie Robinson Senior Center – New York County
125. Woman’s Guild of the Holy Martyr – Queens County
126. AARP Ericsonn Place – Bronx County
127. Bach Library – Albany County
128. Northeast Bronx Seniors – Bronx County
129. NARFE – Erie County
130. Funeral Directors Association – Albany County
131. NYS Association of Aging – Albany County
132. SUNY Oswego – Oswego County
133. Queensbury Senior Services – Warren County
134. Central Hudson Gas and Electric – Ulster County
135. Southworth Library – Tompkins County
136. Senator Venditto’s Golden Gathering – Nassau County
137. Senator Seward’s Senior Forum – Otsego County
138. Cooperstown Village Library – Otsego County
139. Home Helpers – Saratoga County
140. CA\$H Coalition – Albany County

141. NYS Council on Problem Gambling – Albany County
142. Bethlehem Public Library – Albany County
143. Adult Abuse Training Institute – Albany County
144. Queens County Problem Gambling Conference – Queens County
145. NYS School Counselors Association – Warren County
146. NYS Division of Licensing Services – Albany, Suffolk, New York, Erie and Oneida Counties
147. Irondequoit Library – Monroe County
148. Senator Serino Community Event – Dutchess County
149. Aging Providers Program – Schenectady County
150. Meadows at Glenwyck – Schenectady County
151. Vera House – Onondaga County
152. Merrick Library – Nassau County
153. Schenectady County Community College – Schenectady County
154. Steuben County Sherriff's Office – Steuben County
155. Lockheed Martin – Onondaga County
156. Tioga Opportunities Inc. – Tioga County
157. Plattsburgh Public Library – Clinton County
158. Dobbs Ferry Library – Westchester County
159. Hoosick Falls Senior Center – Rensselaer County
160. Watertown Public Library – Jefferson County
161. Senior Citizens Council – Clinton County
162. DCMO BOCES/Safe Kids Otsego – Otsego County

## APPENDIX C

### Utility Intervention Unit

#### List of 2015 Utility Rate Cases & PSC Proceedings

Case #	Company	Case Description	Category
14-E-0318 & 14-G-0319	Central Hudson	Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Central Hudson Gas & Electric Corporation for Electric and Gas Service	Rate Case
14-E-0493 & 14-G-0494	O&R	Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Orange and Rockland Utilities, Inc. for Electric and Gas Service	Rate Case
13-E-0030 & 15-E-0050	Con Edison - Electric	Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Electric Service.	Rate Case
13-G-0136	National Fuel - Gas	Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of the National Fuel Gas Distribution Corporation for Gas Service	Rate Case
15-00262	PSEG Long Island -Electric	In the Matter of a Three-Year Rate Proposal for Electric Rates and Charges Submitted by the Long Island Power Authority and Service Provider, PSEG Long Island LLC.	Rate Case
11-G-0280	Corning Natural Gas Corp.	Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Corning Natural Gas Corporation for Gas Service.	Rate Case
14-E-0270	Ginna-RG&E	Proceeding to Examine a Proposal for Continued Operation of the R.E. Ginna Nuclear Power Plant, LLC.	Rate Case
14-M-0565	Low Income Affordability Proceeding	Proceeding on Motion of the Commission to Examine Programs to Address Energy Affordability for Low Income Utility Customers.	Policy Case
14-M-0224	Community Choice Aggregation	Proceeding on Motion of the Commission to Enable Community Choice Aggregation Programs	Policy Case
15-E-0082	Community Net Metering	Proceeding on Motion of the Commission as to the Policies, Requirements and Conditions For Implementing a Community Net Metering Program.	Policy Case
12-M-0476	Retail Access Value Added Services Collaborative	Proceeding on Motion of the Commission to Assess Certain Aspects of the Residential and Small Non-residential Retail Energy Markets in New York State.	Policy Case
15-E-0283, 15-G-0284, 15-E-0285, 15-G-0286	NYSEG/RGE	Proceedings on Motion of the Commission as to the Rates, Charges, Rules and Regulations of NYSEG and RGE for Electric and Gas Service	Rate Case
15-G-0382	St. Lawrence Gas	Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of St. Lawrence Gas Company, Inc. for Gas Service.	Rate Case